

Service Date: November 5, 1991

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER OF The Application)	UTILITY DIVISION
by the MONTANA POWER COMPANY for)	
Authority to Increase Rates for)	DOCKET NO. 90.6.39
Natural Gas and Electric Service.)	ORDER NO. 5484o

STAY ORDER

BACKGROUND

On October 17, 1991 the Montana Public Service Commission (Commission) issued Order No. 5484n in this Docket on electric class cost-of-service/rate design. In Order No. 5484n and Order No. 5566 as amended in Order No. 5566a, Docket No. 91.8.31, the Commission contemplated that rates implementing a new cost-of-service/rate design would take effect on November 1, 1991. On October 24, 1991 the Montana Power Company (MPC) filed a compliance cost-of-service/rate design in response to Order No. 5484n. Staff review of this filing indicates certain errors in calculation that MPC cannot correct by November 1, 1991. Therefore, it will not be possible to implement rates pursuant to Order No. 5484n on the date contemplated.

On or around the time that staff informed the Commission that Order No. 5484n rates could not be implemented according to schedule, the Large Customer Group (LCG) filed with the Commission a motion for stay of Order No. 5484n, or, alternatively, to

segregate or track funds. LCG requests that the Commission either stay Order No. 5484n pending reconsideration of that Order, or in some manner account for and track payments made to MPC by LCG, to be recouped in part by LCG should the Commission's order on reconsideration of Order No. 5484n be favorable to LCG.

DISCUSSION

Because Order No. 5484n rates cannot be implemented by November 1, 1991, the Commission on its own motion considers it to be in the public interest to stay that Order in part, pending the issuance of an order on reconsideration of cost-of-service/ rate design in this Docket. The Commission finds that rates should change on November 1, 1991 by an equal percentage over current rates. This rate change will reflect the adjustments described in Order No. 5566, as amended in Order No. 5566a. The Commission finds that implementing rates as described on November 1, 1991, and staying Order No. 5484n until an order on reconsideration, will stabilize rates by eliminating a rate change that would occur in the absence of a stay.

As noted, the Commission will stay Order No. 5484n, in part. The Commission will not stay the implementation of the 10 percent low-income discount approved at paragraphs 474-479 of Order No. 5484n. The Commission finds that qualifying customers should benefit from the 10 percent discount over the entire winter heating season.

CONCLUSIONS OF LAW

Applicant, Montana Power Company, provides electric service within the State of Montana and as such is a "public utility" within the meaning of Section 69-3-101, MCA.

The Montana Public Service Commission properly exercises jurisdiction over the Applicant's Montana rates and operations pursuant to Title 69, Chapter 3, MCA.

The Montana Public Service Commission may stay its orders under certain circumstances. See 69-3-401, 2-4-702(3) and 69-3-103(1), MCA, and ARM 38.2.4806(2).

ORDER

NOW THEREFORE IT IS ORDERED:

With the exception of the low-income discount referred to in paragraph 4 above, Order No. 5484n is hereby stayed pending a Commission order on reconsideration of Order No. 5484n.

Montana Power Company is directed to implement new rates on November 1, 1991, incorporating the 10 percent low-income discount and a uniform percentage increase that reflects the adjustments described in Order Nos. 5566 and 5566a.

The motion of the Large Customer Group is by this Order made moot and is denied.

Montana Power Company must file work papers and tariffs in accordance with this Order.

DONE AND DATED this 28th day of October, 1991 by a vote of 5-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

HOWARD L. ELLIS, Chairman

DANNY OBERG, Vice Chairman

BOB ANDERSON, Commissioner

JOHN DRISCOLL, Commissioner

WALLACE W. "WALLY" MERCER, Commissioner

ATTEST:

Ann Peck
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.